
HOUSE BILL No. 1246

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-14-1-3.

Synopsis: Gas tax allocation. Provides that the funds in the motor vehicle highway account are distributed only to cities, towns, counties and the department of transportation.

Effective: July 1, 2007.

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January 11, 2007, read first time and referred to Committee on Local Government.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1246

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 8-14-1-3 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2007]: Sec. 3. The money collected for the
3 motor vehicle highway account fund and remaining after refunds and
4 the payment of all expenses incurred in the collection thereof, ~~and~~ after
5 the deduction of the amount appropriated to the department for traffic
6 safety, ~~and after the deduction of one-half (1/2) of the amount~~
7 ~~appropriated for the state police department~~, shall be allocated to and
8 distributed among the department and subdivisions designated as
9 follows:

10 (1) Of the net amount in the motor vehicle highway account the
11 auditor of state shall set aside for the cities and towns of the state
12 fifteen percent (15%) thereof. This sum shall be allocated to the
13 cities and towns upon the basis that the population of each city
14 and town bears to the total population of all the cities and towns
15 and shall be used for the construction or reconstruction and
16 maintenance of streets and alleys and shall be annually budgeted
17 as now provided by law. However, no part of such sum shall be

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used for any other purpose than for the purposes defined in this chapter. If any funds allocated to any city or town shall be used by any officer or officers of such city or town for any purpose or purposes other than for the purposes as defined in this chapter, such officer or officers shall be liable upon their official bonds to such city or town in such amount so used for other purposes than for the purposes as defined in this chapter, together with the costs of said action and reasonable attorney fees, recoverable in an action or suit instituted in the name of the state of Indiana on the relation of any taxpayer or taxpayers resident of such city or town. A monthly distribution thereof of funds accumulated during the preceding month shall be made by the auditor of state.

(2) Of the net amount in the motor vehicle highway account, the auditor of state shall set aside for the counties of the state thirty-two percent (32%) thereof. However, as to the allocation to cities and towns under subdivision (1), and as to the allocation to counties under this subdivision in the event that the amount in the motor vehicle highway account fund remaining after refunds and the payment of all expenses incurred in the collection thereof and after deduction of any amount appropriated by the general assembly for public safety and policing shall be less than twenty-two million six hundred and fifty thousand dollars (\$22,650,000), in any fiscal year then the amount so set aside in the next calendar year for distributions to counties shall be reduced fifty-four percent (54%) of such deficit and the amount so set aside for distribution in the next calendar year to cities and towns shall be reduced thirteen percent (13%) of such deficit. Such reduced distributions shall begin with the distribution January 1 of each year.

(3) The amount set aside for the counties of the state under the provisions of subdivision (2) shall be allocated monthly upon the following basis:

(A) Five percent (5%) of the amount allocated to the counties to be divided equally among the ninety-two (92) counties.

(B) Sixty-five percent (65%) of the amount allocated to the counties to be divided on the basis of the ratio of the actual miles, now traveled and in use, of county roads in each county to the total mileage of county roads in the state, which shall be annually determined, accurately, by the department.

(C) Thirty percent (30%) of the amount allocated to the counties to be divided on the basis of the ratio of the motor vehicle registrations of each county to the total motor vehicle

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- 1 registration of the state.
- 2 All money so distributed to the several counties of the state shall
- 3 constitute a special road fund for each of the respective counties
- 4 and shall be under the exclusive supervision and direction of the
- 5 board of county commissioners in the construction,
- 6 reconstruction, maintenance, or repair of the county highways or
- 7 bridges on such county highways within such county.
- 8 (4) Each month the remainder of the net amount in the motor
- 9 vehicle highway account shall be credited to the state highway
- 10 fund for the use of the department.
- 11 (5) Money in the fund may not be used for any toll road or toll
- 12 bridge project.
- 13 (6) Notwithstanding any other provisions of this section, money
- 14 in the motor vehicle highway account fund may be appropriated
- 15 to the Indiana department of transportation from the forty-seven
- 16 percent (47%) distributed to the political subdivisions of the state
- 17 to pay the costs incurred by the department in providing services
- 18 to those subdivisions.
- 19 (7) Notwithstanding any other provisions of this section or of
- 20 IC 8-14-8, for the purpose of maintaining a sufficient working
- 21 balance in accounts established primarily to facilitate the
- 22 matching of federal and local money for highway projects, money
- 23 may be appropriated to the Indiana department of transportation
- 24 as follows:
- 25 (A) One-half (1/2) from the forty-seven percent (47%) set
- 26 aside under subdivisions (1) and (2) for counties and for those
- 27 cities and towns with a population greater than five thousand
- 28 (5,000).
- 29 (B) One-half (1/2) from the distressed road fund under
- 30 IC 8-14-8.

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